



HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

ADMINISTRATIVE APPLICATION – CERTIFICATE OF NEED PROGRAM

Application Number 03-37A

Applicant: Child and Family Service
91-1841 Ft. Weaver Road, Ewa Beach, HI
Phone: 808-681-3500

Project Title: Establishment of an 8 bed Special Treatment Facility

Project Address: 91-371 Kahuawai Street, Waipahu, HI

1. **TYPE OF ORGANIZATION:** (Please check all applicable)

Public _____
Private _____
Non-profit X
For-profit _____
Individual _____
Corporation X
Partnership _____
Limited Liability Corporation (LLC) _____
Limited Liability Partnership (LLP) _____
Other: _____

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STATE OF HAWAII
DEPARTMENT OF HEALTH

2. **PROJECT LOCATION INFORMATION**

A. Primary Service Area(s) of Project: (please check all applicable)

Statewide: _____
O`ahu-wide: X
Honolulu: _____
Windward O`ahu: _____
West O`ahu: _____
Maui County: _____
Kaua`i County: _____
Hawai`i County: _____

3. **DOCUMENTATION** (Please attach the following to your application form):

- A. Site Control documentation (e.g. lease/purchase agreement, DROA agreement, letter of intent)
- B. A listing of all other permits or approvals from other government bodies (federal, state, county) that will be required before this proposal can be implemented (such as building permit, land use permit, etc.): **DOH STF License**
- C. Your governing body: list by names, titles and address/phone numbers
- D. If you have filed a Certificate of Need Application this current calendar year, you may skip the four items listed below. All others, please provide the following:
 - Articles of Incorporation
 - By-Laws
 - Partnership Agreements
 - Tax Key Number (project's location): **9-4-41: 59**

4. **TYPE OF PROJECT.** This section helps our reviewers understand what type of project you are proposing. Please place an "x" in the appropriate box.

	Used Medical Equipment (over \$400,000)	New/Upgraded Medical Equip. (over \$1 million)	Other Capital Project (over \$4 million)	Change in Service	Change in Beds
Inpatient Facility				X	
Outpatient Facility					
Private Practice					

5. **BED CHANGES.** Please complete this chart only if your project deals with a change in your bed count and/or licensed types. Again, this chart is intended to help our reviewers understand at a glance what your project would like to accomplish. Under the heading "Type of Bed," please use only the categories listed in the certificate of need rules.

Type of Bed	Current Bed Total	Proposed Beds for your Project	Total Combined Beds if your Project is Approved
Special Treatment Facility (STF)	0	8	8
TOTAL	0	8	8

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6. PROJECT COSTS AND SOURCES OF FUNDS

A. List All Project Costs:

AMOUNT:

1. Land Acquisition _____
2. Construction Contract _____
3. Fixed Equipment \$500.00
4. Movable Equipment \$4000.00
5. Financing Costs _____
6. Fair Market Value of assets acquired by
lease, rent, donation, etc. \$599,500
7. Other: _____

TOTAL PROJECT COST: \$604,000

B. Source of Funds

1. Cash \$4,500.00
2. State Appropriations _____
3. Other Grants _____
4. Fund Drive _____
5. Debt _____
6. Other: City Block Grant \$599,500

TOTAL SOURCE OF FUNDS: \$604,000

7. **CHANGE OF SERVICE:** If you are proposing a change in service, then please briefly list what services will be added/modified. Be sure to include the establishment of a new service or the addition of a new location of an existing service. Please reference the Certificate of Need Rules Section 11-186-5 for the categories of services. If you are unable to determine which category best describes your project, please consult with agency staff. '03 DEC 12 P 7:56

This facility is currently serving Felix clients only and is exempt from Certificate of Need requirements, however we are now proposing to serve both Felix and non-Felix clients. Therefore, a Certificate of Need is now required.

8. **IMPLEMENTATION SCHEDULE:** Please present a projected time schedule for the completion of this project from start to finish. Include all of the following items that are applicable to your project:

- a) Date of site control for the proposed project. **Site was purchased in April 2001.**
- b) Dates by which other government approvals/permits will be applied for and received, **N/A**
- c) Dates by which financing is assured for the project, **N/A**
- d) Date construction will commence, **N/A**
- e) Length of construction period, **N/A**
- f) Date of completion of the project, **N/A**
- g) Date of commencement of operation: **Site is currently operating and can transition to serve non-Felix youth upon approval of CON and license from Office of Health Care Assurance, projected license date March 2004.**

Please remember that the Agency does monitor the implementation of Certificates approved. Non-implementation of a project as described in your application may result in a fine and/or withdrawal of the certificate of need.

9. **EXECUTIVE SUMMARY:** Please present a brief summary of your project. In addition, provide a description of how your project meets each of the certificate of need criteria listed below. If a new location is proposed, please attach an easy to read map that shows your project site.

- a) Relationship to the Hawai'i Health Performance Plan (H2P2), also known as the State of Hawai'i Health Services and Facilities Plan.
- b) Need and Accessibility.
- c) Quality of Service/Care.

REPLACEMENT PAGE

- d) Cost and Finances (include revenue/cost projections for the first and third year of operation).
- e) Relationship to the existing health care system
- f) Availability of Resources.

10. Eligibility to file for Administrative Review. This project is eligible to file for Administrative review because: (Check all applicable)

- ☐ It involves bed changes, which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.
- ☐ It involves service changes which will have a capital expense of \$1,000,000 or less, and which will have an increased annual operating expense of less than \$500,000.
- ☐ It is an acquisition of a health care facility or service, which will result in lower annual operating expenses for that facility, or service.
- ☐ It is a change of ownership, where the change is from one entity to another substantially related entity.
- ☐ It is an additional location of an existing service or facility.
- ☒ The applicant believes it will not have a significant impact on the health care system.

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EXECUTIVE SUMMARY

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RELATION TO THE STATE PLAN CRITERION

1. Relation to the H2P2

- A. In line with the H2P2 Goal of "Adolescent and young adults will develop and mature in good health, secure in their prospects for a happy future," Ka Pa Ola has the following Goal:

To reunite youth with their families and/or return the youth to a less restrictive environment and to successfully integrate them back into the community and successfully transition back into the public school system.

To match the Objective in the H2P2, "Reducing the risk of injury and violence by promoting a safe environment and a safe community," that supports the H2P2 goal; Ka Pa Ola has developed the following objectives to support the program's goal:

- Reduce incidents of inappropriate behavior in the school, home and community environment.
- Reduce legal involvement.
- Increase parental skills and involvement.
- Increase school involvement and success.

Ka Pa Ola is a group home facility that provides behavioral interventions, services and an educational setting in the home to youth who have been identified as having behavioral problems beyond what their parents/legal guardians are equipped to deal with. These youth have also been identified as not being able to attend a public school due to their out of control behavior. The program provides its own teacher, psychiatrist and therapist to address any educational and mental health concerns. There is no separate charge for either of these services. The psychiatrist visits the home on a monthly basis and meets with each youth to discuss any issues that may be hampering the youth's progress to meeting the goal of the program. These sessions normally focus on medication management. The therapist meets with the youth at least weekly and provides ongoing individual

and family therapy. These sessions focus more on behavior management techniques and assisting the youth in planning out treatment goals and appropriate interventions.

In addition, Ka Pa Ola is able to monitor and assist with the health care needed by the youth served. Upon intake to our program, a Health Assessment is required. This will identify the need for immunizations, dental or other medical assessments. Based on this information, the program nurse, in conjunction with the psychiatrist or youth's primary care physician will develop a standard means for the youth to have their medical needs met. As needed, the program nurse provides health education.

The desired characteristics that Ka Pa Ola provides is a residential group home for girls to allow these youth to work on issues that hamper their ability to live at home, attend public school and become successful in the community. It is a collaborative effort between our agency and the Department of Health, Child and Adolescent Mental Health Division (CAMHD), to ensure that these youth are able to remain in the state of Hawaii for these specialized services.

Access: Youth who are referred to the Ka Pa Ola program have already been identified by the CAMHD as youth with behavioral problems which necessitate an out of home placement. Once a referral is received, a response is given within 72 hours on the status of availability. A youth is admitted as soon as possible and admission is based on the youth need and space availability.

Quality Management: Staff at Ka Pa Ola follow the CAMHD guidelines for Best Practice and also send out quarterly satisfaction surveys to youth, family and collateral contacts involved with each of our youth. The information received is used to update program procedures and format.

Cost-Effectiveness: All attempts are made to provide services within the unit rate set forth by CAMHD. Ka Pa Ola works in conjunction with other CFS programs to share expenses whenever possible.

Continuity of Care: CFS provides a continuum of residential services for youth identified as having behavioral problems, which necessitate out of home placement. Each youth's progress is reviewed monthly and recommendations for a change in placement are done as clinically appropriate.

Constituent Participation: Ka Pa Ola Lead Residential Counselor and on occasion the Program Director attends the community

association meeting in their area and has provided information to community members on how the program is operated.

- B. Ka Pa Ola does not involve any of the services covered in Part G of Chapter II. However, for FY2003 CFS' group home services were awarded a total of 7 beds and maintained an average of 80% utilization.
- C. Ka Pa Ola meets the CAMHD need to comply with the Felix Consent Decree. It enables the state to provide residential mental health services to youth in need within the state of Hawaii. This is in line with the H2P2, Chapter XI, Behavioral Health section. Ka Pa Ola accepts referrals from across the state and currently has a contract with the CAMHD. Furthermore, Ka Pa Ola is part of a continuum of care that CFS provides, this assists in having youth transition to a lower level of care in a timely manner. Ka Pa Ola also provides substance abuse services and has been able to effectively manage youth who are dual-diagnosed. It is the goal that if these youth are identified, treated and reintegrated back into the community at an early age, they will be " . . . secure in their prospects for a happy future."

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NEED AND ACCESSIBILITY

1. Description of the Service Area

Central Oahu youth experience cultural strains and tension in their communities. There are multiple problems including substance abuse, domestic violence, child abuse and neglect, and violence in the schools. Families experience financial hardship, despite the fact that both parents work. Some families do not have natural support systems and lack the skills necessary to access community resources. Other families are fragmented and function in a disconnected manner. These stresses result in youth that lack moral development, self-discipline, social skills and low academic performance.

Client services are accessible and are initiated after the Mental Health Care Coordinator (MHCC) at the Family Guidance Center submits a Service Authorization form. Services provided are congruent with the Individualized Education Plan (IEP), Modification Plan (MP), Coordinated Service Plan (CSP), and/or the Mental Health Treatment Plan (MHTP) as applicable.

The services provided in Central Oahu are intended to continue to assist the Department of Health's Child and Adolescent Mental Health Division in creating a more focused, seamless continuum of community-based comprehensive mental health services.

These services are targeted for youth with conduct and behavioral related problems, emotional disorders, histories of sexual, physical and/or emotional abuse and neglect, in addition to a history and diagnosis of substance abuse. These youth are those who present with issues that are chronic and with backgrounds that present multiple high risk factors. These youth have also displayed educational delays and difficulty adjusting to a regular education setting.

2. Estimates of Need, Demand and Supply

In the 2002 Request for Proposals issued by the Child and Adolescent Mental Health Division, it cited that there are approximately 110 total beds needed statewide, sixty (60) of which are needed on the island of Oahu. This home was awarded a contract for seven (7) beds by the Child and Adolescent Mental Health Division (CAMHD). The utilization for fiscal year 2002-2003 revealed that Ka Pa Ola had an average of six (6) clients per day for a total of 2190 bed days and a utilization rate of 85%.

REPLACEMENT PAGE

3. Projects of Future Utilization

Child and Family Service propose to increase to eight (8) beds. Based upon the previous year's utilization rate, it is estimated that there will be an average of seven (7) clients per day for a total of 2555 bed days and a utilization rate of 87%.

4. Accessibility

This program will be accessible to all appropriately referred clients regardless of income, race, or disabilities.

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CHILD AND FAMILY SERVICE

QUALITY OF SERVICE/CARE

1. Quality Of Care

Child and Family Service are dedicated to providing quality services to the individuals and families we serve, and to be accountable to those who fund our services. The Quality Assurance Program is intended to monitor adherence and accountability to the standards of practice for the organization. CFS is committed to providing the highest quality of services to the children, adults and families. CFS will adhere to CASSP principles by providing these services in a child-centered, family focused and culturally sensitive approach.

In addition to the standards set forth by the CFS QA Plan, the organization is committed to complying with CAMHD requirements set forth in its QA Plan. CFS staff participates in CAMHD QA meetings as called by the Division and will cooperate with CAMHD monitoring. A comprehensive, all-inclusive effort of active program and administrative monitoring and quality control is integral to the fulfillment of this commitment. Our Quality Assurance (QA) review process is set by the mission of the organization, focusing on: What services will be provided, how they are delivered, who is qualified to deliver services, who is eligible to receive services, and what standards are used to assess and/or evaluate the quality and use of services.

CFS's commitment to quality assurance is taken very seriously. Quality assurance is critical to an organization's reliability and vivacity and is incorporated into the daily activities, not as a separate program. The CFS QA Plan was developed to allow for delivery of quality services through program assessment and continuous improvement, and has the following characteristics:

- Allows for the availability of resources, equipment, personnel and other necessities to accomplish the goals as set forth in the organization's mission
- Develops policies and procedures prior to the inception of the program outlining direct personnel responsibility for service provision
- Implements a well-defined strategy for predicting, rectifying and improving identified problem areas, and
- Defines outcomes during the program development process to make certain that services are clearly defined and goal directed

The nucleus of the QA process is the CFS Continuous Quality Improvement (CQI) Committee. The CQI members systematically review and evaluate the effectiveness of our services and determine whether our services meet pre-determined expectations of quality and outcomes. They note observed deficiencies and make improvement recommendations to

program managers. Managers then meet with program staff and design improvement projects, the results of which are reported back to the committee.

Highlights of our CQI process are described below.

- **The work of the CQI Committee is supported by input from CQI Subcommittees.** The CQI Committee receives and evaluates reports from CQI Subcommittees for significant trends within the programs and the organization. The CQI Subcommittees include Safety and Risk Management, Outcomes, Quarterly Improvement Reviews, External Reports, and Case Record Reviews. Once a month the CQI Committee reports to management on the quality assurance activities, summarizing the important improvement areas identified in their data analysis, and identifying specific training areas needing emphasis.
- **The Outcomes Committee is one of the important subcommittees in the QA process.** Our program outcomes follow the Council on Accreditation service standards. It is the role of the CFS Outcomes Committee to review program outcomes for reasonableness, relevance, and ability to measure, as well as account for outcome and output measures under contract. The specific outcomes/measures are defined and are reviewed on a quarterly basis and the results are reported to the Outcomes Committee. When the outcome data indicates the need for service improvement an Action Plan is submitted to the CFS Director of Program Services, and then reviewed and discussed with the direct service staff.
- **The quarterly case record reviews are one of the critical tasks in the QA process.** Case record reviews occur once per quarter and consist of random retrospective record reviews. The records are randomly selected from the program or service, which include both open and closed cases. The records are reviewed by a committee of program administrators, supervisors, directors, and direct service staff.

The review instrument consists of a case record review checklist. The development of the checklist involves a participatory, inclusive process with the program administrator, supervisor and direct service staff. The checklist currently incorporates internal CFS standards/expectations as well as contract and accreditation requirements.

The checklist, a summary of quarterly findings, corrective action plans and follow-up are prepared by the Director of Quality Assurance and Training and minutes of the continuous Quality Improvement committee are maintained. These documents are made available to staff and external monitoring bodies for inspection and review.

- **The Program conducts Quarterly Continuous Quality Improvement Staff Meetings.** Each program holds a quarterly staff meeting where the following data is discussed:

- Trends and demographics
- Case record review
- Outcomes data
- Client and referral source satisfaction surveys
- Incident reports
- Complaints and Grievances
- Status of program quality improvement projects

Discussions of these meetings are documented, and as a result, the CQI action plan for the program is updated.

2. Staffing

For Ka Pa Ola there are 12.5 FTE Resident Counselors, one (1) FTE Therapist, one (1) Special Education Teacher, 0.25 FTE nurse, 0.25 FTE Certified Substance Abuse Counselor and one (1) FTE Program Director. A ratio of one (1) staff to four (4) youths is maintained at all times. At minimum, two (2) staff is on duty per shift. Staffing schedules reflect an overlap in shift hours to accommodate information exchange for continuity of youth treatment, adequate numbers of staff reflective of the tone of the group home, appropriate staff gender mix, and the consistent presence and availability of a professional staff.

There are two (2) Lead Residential Counselors who have Bachelor degrees in human services. The Residential Counselors have a minimum of fifty (50) hours college credit towards a degree in human services and many have prior residential experience. Additional Residential Counselors completed the CAMHD approved Childcare Worker training and receive at least one hour of weekly clinical group supervision.

Current full-time employees receive at minimum, forty (40) hours of training per year to address best practice interventions, program issues, contract requirements, and state and federal regulations. The number of required hours per year is pro-rated for employees who work less than forty (40) hours. New employees are oriented within the first thirty (30) days of employment to: Mission and goals of Child and Family Service; administrative policies and procedures of Child and Family Service; and specific to Ka Pa Ola policies and procedures.

Once an employee completes orientation, ongoing training opportunities are provided. An Individualized Training Plan is developed for each employee. The plan identifies areas that need further development.

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Topics covered in orientation and ongoing training includes, but is not limited to: Hawaii system of care for *Felix* eligible youth; *Felix Consent Decree*; Individuals with Disabilities Act (IDEA); State organizational structure and team decisions; Confidentiality; Client right/responsibilities; Client complaint/grievance; State laws regarding child abuse and neglect report, reporting criminal behavior and threats regarding suicide and homicide; Acceptable behavior management techniques; Crisis intervention procedures to include suicide precautions; Mission statement, core values, Hawaii Child and Adolescent Service System Principles, CAMHD Interagency Performance Standards and Practice Guidelines and Interagency Practice Guidelines; Job description/lines of accountability and authority of Child and Family service; Strength based treatment and planning; Family and community focused provision of services; Provision of services in least restrictive environment; integration, coordination, monitoring and service quality standards of CAMHD; Quality Improvement policy and procedures: utilization review, chart review and continual improvement procedures; Review of risk management/reporting standards; Cultural approaches with various populations; Federal and State laws regarding the obtaining and release of client information; and Client satisfaction and stakeholder input.

In addition, the organization may grant, upon request, flexible scheduling to employees who are pursuing an educational degree related to their position.

3. Licensures And Certificates

Ka Pa Ola has obtained a license from The Department Of Health Office of Health Care Assurance (see Exhibit C-1).

4. Memberships And Affiliations

We are also a member of two (2) other national standard-setting organizations – Alliance for Children and Families since 1986 and the Child Welfare League of America since 1938. The Council on Accreditation for Families and Children (COA) has accredited us since 1980 (see Exhibit C-2).

5. Medicare Reports

Medicare does not certify this facility therefore there is not "Statement of Deficiency and Plan of Correction" reports.

COST AND FINANCES

The total cost for FY2003 was \$889,798. The resources used to fund this project are from the Child and Adolescent Mental Health Division, Aloha United Way, Child and Family Service fundraising and private contributors. Child and Family Service has a long history of being able to provide this service in the most cost effective manner and is dedicated to serving the youth and families in the State of Hawaii.

Ka Pa Ola is a service that is provided to youth who are in need of out of home care due to mental health concerns. By contract, Ka Pa Ola is required to have a minimum of two (2) staff on shift, 24 hours a day, 7 days a week. In addition, we are required to have a teacher and an aide in the classroom. We have 12.5 FTE Resident Counselors, one (1) FTE Therapist, one (1) Special Education Teacher, 0.25 FTE nurse, 0.25 FTE Certified Substance Abuse Counselor and one (1) FTE Program Director. Total personnel costs for the program are \$581,332. Some of the staff is shared across several residential programs. The FTE shown here are their allocations to the Ka Pa Ola program.

The program decreases the use of hospitalization, emergency room visits and increases a youth's self care by meeting their medical needs on a regular basis to encourage health maintenance. For the base year, Ka Pa Ola had \$794,663 in revenue, \$889,798 in expenses for a deficit of \$95,135. In the following three years, we expect to have a deficit of \$95,769, \$96,408 and \$97,051 unless bed rates are increased more then the projected 0.66%. Here is the projected breakdown of these numbers:

	Year One 2004	Year Two 2005	Year Three 2006
Revenue	\$799,961	\$805,294	\$810,662
Expenses	\$895,730	\$901,702	\$907,713
Net Contribution/(Deficit)	(\$95,769)	(\$96,408)	(\$97,051)

The per unit charges for this service is set by the Department of Health, Child and Adolescent Mental Health Division. We make every attempt to operate the program within the means of the unit rate, however project that in year one, two and three that the unit rate will need to be increased by 1% each year for the program to remain fiscally feasible. The projected 0.66% increase reflected in the State of Revenue and Expenses for year two and three is based on the 0.66% increase that the Child and Adolescent Mental Health Division included in the FY2004 unit rate (see Exhibit D-2).

In order to address the annual projected deficit, Child and Family Service is currently meeting with other providers and with CAMHD to renegotiate bed rates and/or to explore other funding options to allow for programs to financially

REPLACEMENT PAGE

MOA with CARE, Hawaii to provide crisis beds as another avenue for funding. In the past, CFS has been able to successfully minimize or dispose of a program deficit through fundraising events and private donations.

Ka Pa Ola is an existing service that is part of a continuum of care that Child and Family Service provides. It is the most restrictive environment for youth who are in need of group living services and as such maintains a fairly stable census, therefore no other alternatives for this home have been considered.

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CHILD AND FAMILY SERVICE
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RELATION TO THE EXISTING HEALTH CARE SYSTEM CRITERION

1. Improvement to the Existing Health Care System

Summarize briefly how the proposal will improve the existing health care system.

- A. The Ka Pa Ola program fills a gap in services that was identified by the Department of Health in response to the Felix Consent decree. The existence of this program decreases the need to send youth who are residence of the State of Hawaii to live in out-of-home placements on the mainland.
- B. The project improves the availability of health in the community by providing an on-site nurse 20 hours per week and on-call nursing and psychiatric care 24 hours per day, 7 days a week. We are able to triage medical and psychiatric incidents and avoid inappropriate uses of the Emergency Room and Urgent Care Clinics. We are also proactive instead of reactive in meeting the ongoing health needs of the youth we serve.
- C. As stated above, we provide 24 hour on-call medical and psychiatric care. The nurse works with the youths who have no primary care physician in securing one and encourage the youth we serve to access their physicians when necessary.

2. Effect on Other Health Care Providers

Describe the effect of the project on other institutions or groups.

- A. This project decreases the incidents of hospitalization, incarceration and homelessness for the youth we serve. We are able to work with these youth on issues that may lead them to a mental health crisis, crime and running away from home. We also work with the youth's families on how to effectively manage their son/daughter to provide them with ongoing stability.
- B. This is an existing service that does not need to be shared or consolidated with another institution.

REPLACEMENT PAGE

AVAILABILITY OF RESOURCES CRITERION

1. This is an existing program that is currently providing services to Felix youth. Health care personnel include a part time registered nurse, a part time psychologist and psychiatrist all of whom provide 24-hour pager availability. Also included are an hourly licensed nutritionist and Certified Substance Abuse Counselor (CSAC). Current management personnel include one (1) FTE Administrator who oversees all Oahu residential programs and one (1) FTE Program Director for this home who are also available by pager 24-hours a day. No new staff is needed for this program.
2. Funds for capital and operating needs for this home are received from the Child and Adolescent Mental Health Division, Aloha United Way, CFS fundraising events, private donations, and grants such as, a recently awarded Atherton grant to remodel the classroom.

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